

**MINUTES
of the
FORTY-SEVENTH MEETING
of the
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE**

**August 1, 2014
Room 307, State Capitol
Santa Fe, NM**

The forty-seventh meeting of the Public School Capital Outlay Oversight Task Force (PSCOOTF) was called to order by Representative Mimi Stewart, chair, on August 1, 2014 at 9:10 a.m. in Room 307 of the State Capitol.

Present

Rep. Mimi Stewart, Chair
Dr. Carl Foster
Tracy Hofmann, Esq.
Rep. Larry A. Larrañaga
Michael Marcelli, Designee for Tom
Clifford, Secretary, Department of
Finance and Administration (DFA)
Antonio Ortiz, Designee for Paul Aguilar,
Deputy Secretary, Public Education
Department (PED)
Sen. Mary Kay Papen
Mike Phipps
Sen. Cliff R. Pirtle
Sen. Benny Shendo, Jr.
Rep. James E. Smith
Sen. John Arthur Smith
Allan Tapia
Rep. Luciano "Lucky" Varela, Designee for
Rep. Henry Kiki Saavedra

Advisory Members

Rep. Patricia Roybal Caballero
Sen. William P. Soules

Absent

Sen. John M. Sapien, Vice Chair
Rep. Eliseo Lee Alcon
Cecilia Grimes
Dr. Lisa Grover
Kirk Hartom
Leonard Haskie
Rep. James Roger Madalena
Rep. W. Ken Martinez
T.J. Parks
Judy Rabon
Sen. Sander Rue

Rep. Sharon Clahchischilliage
Rep. Roberto "Bobby" J. Gonzales
Rep. Sandra D. Jeff
Sen. Howie C. Morales
Sen. John C. Ryan
Sen. William E. Sharer
Sen. Pat Woods

Guest Legislators

Rep. Patricia A. Lundstrom

Sen. George K. Munoz

Staff

Raúl E. Burciaga, Director, Legislative Council Service (LCS)

Sharon Ball, Senior Researcher, LCS

Carolyn Ice, Research Assistant, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file.

Wednesday, July 24

Representative Stewart welcomed members of the task force and the public. She introduced a new task force member, Tracy Hofmann, Esq., appointed by President Pro Tem Papen. Ms. Hofmann replaces Robbie Heyman, who is in the process of reducing his work load and working his way to retirement. Ms. Hofmann noted that she works at the Sutin Law Firm in Santa Fe and has been a colleague of Mr. Heyman's for a number of years. Representative Stewart asked the other task force members to introduce themselves.

Approval of June 20, 2014 Meeting Minutes

Without objection, the minutes of the June 20, 2014 meeting were approved on a motion by Representative Larrañaga, seconded by Senator Smith.

Updates and Additions: PSCOOTF Reference Binder

Ms. Ball asked task force members to open their reference binders to the information behind Tab 7 to make some additions. Ms. Ball described the first addition, a matrix showing the characteristics of most of the statutory funding sources for public school capital outlay. In response to members' discussion and comments, Ms. Ball agreed to add the statutory requirements for uses of the respective funding sources. The second addition, the text of Section 22-18-1 NMSA 1978 *et seq.*, provides the requirements that school districts must follow in order to seek voter approval and sell school district general obligation bonds.

Public School Capital Outlay Council (PSCOC) Fiscal Year 2015 Awards: Report to the PSCOOTF

Directing task force members' attention to handouts in their meeting folders, David Abbey, chair, PSCOC, and director, Legislative Finance Committee (LFC), indicated that he and Robert Gorrell, director, Public School Facilities Authority (PSFA), would provide the task force with the report of annual PSCOC grant awards.

By way of background, Mr. Abbey noted that the first year for standards-based awards was fiscal year 2004. He explained that this entirely new method of funding public school capital outlay projects in New Mexico utilizes measures of the condition of educational facilities for which all of the state's 89 school districts are eligible for state funding assistance. He noted that in the past few years, the legislature has also made charter schools and two of the state's special constitutional schools, the New Mexico School for the Deaf and the New Mexico School for the Blind and Visually Impaired, eligible for state assistance through the standards-based process.

Mr. Abbey explained that, to date, the PSCOC has awarded almost \$2 billion in state funds for more than 1,200 projects statewide. The total cost for these 1,200 projects, including local participation, is more than \$4 billion. Mr. Gorrell explained that, in addition to direct support of state-funded projects, the PSFA has technically supported another \$1 billion of projects funded entirely at the district level.

Mr. Gorrell explained that the PSCOC uses two measures to determine the condition of educational facilities: the Facilities Condition Index (FCI) and the weighted New Mexico Condition Index (wNMCI). The FCI reflects a ratio of the cost of repair over the replacement value and measures only bricks and mortar. The wNMCI reflects a ratio that combines building deficiency cost and educational adequacy deficiency costs divided by the current replacement value with weighting factors applied for prioritization. In both systems, the smaller percentage represents the more desirable score. As an example, Mr. Gorrell explained that in fiscal year 2003, the statewide average FCI was 70.58 percent compared with the fiscal year 2013 FCI of 35.25 percent, a reduction of almost exactly half.

Mr. Abbey and Mr. Gorrell went over the handouts illustrating the fiscal year 2015 awards. First, Mr. Abbey directed members' attention to the first page of the current version of the "PSCOC Financial Plan". He explained the "sources" and "uses". He noted that one PSCOC member in particular, Secretary Clifford, has been instrumental in making the document depict current funding needs and their effect in the future ("out years").

Working through the spreadsheet, Mr. Gorrell said that, for fiscal year 2015, the PSCOC made phase I awards to seven school districts and two special constitutional schools of \$33.7 million. Of that amount, the state match is \$15.1 million and the local match is \$18.6 million. The potential out-of-cycle state match is estimated to be \$81.9 million, and the local match is \$72.6 million. Task force discussion focused on the continued availability of supplemental severance tax bond proceeds, processes for determining school district rankings and the importance of addressing systems repair and replacements in addition to projects that involve an entire school or district. In response to task force comments and questions, Mr. Gorrell discussed the importance of including local community members in the planning phases of any project. A task force member commented on the fact that school districts often lack the technical expertise to make design- and construction-related decisions.

Moving on to roofing awards, Mr. Gorrell explained that fiscal year 2015 is the final year for roof repair and replacement projects because the enabling legislation authorizing \$10 million a year for roof repair and replacements is allowed for five years. Currently, roofing awards amount to approximately \$3.7 million in local match funds and \$7.4 million in state match funds. Task force members discussed the possibility of supporting legislation to continue the roofing awards as well as the importance of supporting legislation to establish a similar program for systems replacement and repair.

Taking a brief look at the lease assistance awards, the chair requested that this discussion be postponed until after the agenda item on the status report on the standardized lease development is heard.

Directing task force members' attention to a memorandum and its attachments from Mr. Gorrell to Representative Stewart regarding distribution of PSCOC awards since implementation of the standards-based process during the 2003-2004 school year, Mr. Gorrell explained that, from time to time, concern has been expressed that the standards-based process, with its match requirements, has unfairly treated the *Zuni* lawsuit litigants, which are the Zuni Public School District (ZPSD), Gallup-McKinley County School District (GMCSD) and Grants-Cibola County School District (GCCSD). He said that the attached table shows that, between 2002 and 2014, the three litigant districts have received a total of 54 awards amounting to a total of \$178.5 million (\$15,036 per student) for the GMCSD, \$9.8 million (\$7,621 per student) for the ZPSD and \$33.1 million (\$9,183 per student) for the GCCSD. By way of comparison, Mr. Gorrell noted that the Albuquerque Public School District has received a total of \$196.1 million (\$2,124 per student) during the same time period. Mr. Gorrell also noted that while the average district FCI statewide is currently 35 percent, down from 71 percent 11 years ago, the FCIs for the litigant districts are:

- GMCSD: 29 percent;
- ZPSD: 28 percent; and
- GCCSD: 23 percent.

At the close of Mr. Gorrell's discussion of his memorandum to the chair, Representative Stewart requested that the task force postpone discussion of the issue until after the litigant districts' presentation later in the agenda.

Protecting the State's Investment: Maintenance of Public School Facilities

Les Martinez, maintenance and operations support manager, PSFA, directed task force members' attention to his handout in the meeting folders on the maintenance of school facilities. He explained that state statute requires school districts to have functioning preventive maintenance plans in place if they expect to apply for and be granted a PSCOC funding award (Sections 22-24-5.3 and 22-24-5.5 NMSA 1978).

Mr. Martinez said that the PSFA's primary tool to evaluate maintenance practices in schools and districts is through the Facilities Maintenance Assessment Report (FMAR). He explained that the FMAR provides a sample overview of school maintenance conditions and performance. The FMAR process gathers data across the state and provides constructive feedback to districts on facility maintenance programs by establishing and updating a baseline score of facility maintenance programs and sharing best practices statewide. He indicated that the FMAR scores describe the following rankings:

- "outstanding" — 90.1 to 100 percent;
- "good" — 80.1 to 90 percent;
- "satisfactory" — 70.1 to 80 percent;
- "marginal" — 60.1 to 70 percent; and
- "poor" — below 60 percent.

He said that the PSFA has conducted 616 FMARs since 2011 and has reviewed a total of 88 of the state's 89 districts and both of the special constitutional schools. He directed task force members' attention to the large color spreadsheet in their meeting folders. He noted that 19 districts and both constitutional schools rank in the "satisfactory" category, meaning that their maintenance activities demonstrate a maintenance program sufficient to meet the needs of the district. He said that three districts rank in the "good" category, meaning that their maintenance activities demonstrate a focused and supported maintenance program. He added that this ranking indicates that assessors found the facility conditions to be of high quality and performing well but not at an excellent or outstanding level. Unfortunately, he continued, none of the state's districts achieved a ranking of "outstanding".

Mr. Martinez reported that the statewide average FMAR score is "poor" at 58.02 percent, with 20 districts scoring in the "marginal" range (above 60 percent). He discussed the results of a survey sent to members of the PSFA's Maintenance Advisory Group (MAG), who are leaders in districts throughout the state. With a response rate of approximately 80 percent, PSFA staff was able to collect data on several root causes of current maintenance conditions in the state's public schools. He discussed the survey results and resulting recommendations in four categories: people, methods, money and hardware.

Under the people category, Mr. Martinez said that respondents unanimously indicated that lack of district leadership accountability combined with rapid district leadership turnover is the primary problem with establishing and maintaining good maintenance practices. Also included were a lack of staff technical skills to maintain the complex systems now in schools and a school board's and district's leadership knowledge of facilities maintenance. In addition, survey respondents indicated that poor staffing levels ("maintenance is always the first area to be cut during a budget crisis") combined with restrictive licensure requirements of the Construction Industries Division (CID) of the Regulation and Licensing Department affected maintenance practices.

In terms of method factors, Mr. Martinez indicated that deferral of maintenance is common when district leaders are thinking short term. He also noted that commitment levels wane without good leadership, and in planning, "wants" supersede "needs" when leadership does not consider long-term issues and solutions. He also noted that almost all respondents to the survey agreed that reactive maintenance is at least three times the cost of preventive maintenance and that verbal, informal maintenance processes add no value: "If it doesn't get written down, it doesn't get done".

Survey results relating to funding factors found the following among at least 80 percent of the respondents:

- short-term thinking ends up costing more over the life of the facility;
- qualified personnel cannot be retained at current salaries;
- maintaining facilities is more cost-effective than replacing them; and
- technical services are more expensive and harder to access in rural areas.

Substantially more than half of the survey respondents indicated agreement with the following:

- maintenance staff does not get the financial support needed to maintain the facilities (73 percent); and
- the current chart of accounts allows for certain function codes, including "maintenance", to be "optional" (60 percent).

Survey results related to hardware and tool factors include the following:

- documentation gets lost due to informal processes or leadership turnover (83 percent);
- training on equipment takes effort and costs money (83 percent);
- old, unserviceable equipment continues to be used rather than upgrading to more efficient types (77 percent); and
- equipment is not appropriate for the task at hand (63 percent).
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Moving forward in an effort to improve FMAR scores, Mr. Martinez said that the MAG, working with PSFA staff, has come up with the a number of suggestions.

In terms of moving forward with people, recommendations include: (1) including maintenance effectiveness as part of a superintendent's responsibilities to be included in the superintendent's evaluation; and (2) revising CID maintenance certification to allow maintenance staff to exchange parts that are alike; e.g., exchange one light bulb for another. A new category of certification could be based on an applicant's knowledge of what work the applicant cannot do and that must be done by a licensed contractor.

Recommendations relating to moving forward with methods include the following:

1. offering facility maintenance as a trade and providing a stipend for staff and students who can provide on-site services;
2. encouraging participation in a building operators' certificate program (level 1) that is currently available at local community colleges; and
3. outsourcing maintenance and custodial services.

Recommendations relating to moving forward with funding include the following:

1. revising the chart of accounts codes to support a better understanding of budgeting and expenditures for facilities, including planning, acquisition, maintenance and operations costs (including custodial costs);
2. defining the term "support services" at each school and budget as part of operational costs;
3. allowing volunteer services; and
4. developing appropriate salary levels to support the defined services.

Finally, recommendations relating to the use of hardware and tools include: (1) requiring that real-time utility consumption be included in measurement and verification; and (2) empowering and encouraging maintenance and custodial staff to look for better tools and methods.

Task force members had a thorough discussion of maintenance. Several members talked about root causes of the poor average score of 58.02 percent.

As part of the task force questions and comments on contracted maintenance, Mr. Martinez noted that some contracted maintenance funding can come from the proceeds of the Public School Capital Improvements Act (also called SB 9). Some task force members indicated concerns about oversight of contractor maintenance if districts were to go in that direction. In response to other comments and questions about sources of funding, Mr. Martinez said that, generally, custodial services are paid for from operational (i.e., state equalization guarantee) funds and are in competition with funding for teachers' salaries and other classroom costs.

Members also discussed the possibility of continuing the PSCOC roof repair and replacement program for an additional five years. In response to a task force discussion, Mr. Abbey noted that the program has been important in maintaining the state's investment in facilities.

In response to Mr. Gorrell's comments about the lack of funding for more direct PSFA oversight of maintenance practices in school districts, Representative Varela requested that he be provided with the PSFA's budget request for fiscal year 2016. Other comments related to funding formula adjustments for rural, isolated districts as opposed to charter schools in urban areas that purposely keep their enrollments low.

Status Report: Standardized Lease Development

Andre Larroque, building standards coordinator, PSFA, Ken Hunt, PSFA contract attorney, and Mr. Gorrell discussed the agency's efforts to establish a standardized lease document template for charter schools and school districts to use in implementing the optional lease assistance program in the Public School Capital Outlay Act. In November 2012, acting on instructions from the PSCOC, PSFA staff formed an in-house work group to review and analyze various examples of leases and lease-purchase agreements being used currently in the state. During the spring of 2013, the PSFA contracted with the Hunt and Davis law firm to assist in legal review and development of new lease templates.

Mr. Larroque indicated that by September 2013, the PSFA posted drafts of several new documents on the web site to begin the public review process. These new documents included templates for a facilities lease, a lease-purchase agreement, a sublease amendment and a repair and maintenance agreement. He reported that in October 2013, the PSFA work group and contract attorney conducted the first public review meeting to discuss the proposed content of the new templates. He said that the meeting was well-attended with representatives from 11 charter schools, the Public Education Department, the New Mexico Coalition for Charter Schools, attorneys working with charter schools, a real estate developer and charter school consultants.

Using input from the attendees at the September meeting, Mr. Larroque explained that the PSFA work group, working with the contract attorney, put together a revised set of documents for public review at the December 2013 meeting. This second public review meeting was also attended by representatives from 18 charter schools and at least one representative from each of the following: the PED; the Public Education Commission (PEC), which authorizes state-chartered charter schools; Cooperative Educational Services (CES); three school districts; four architectural and planning firms; one financial advisor; and several attorneys.

Mr. Larroque explained that during the interim periods between public review meetings, the PSFA and the contract attorney met with representatives of two law firms that frequently represent clients on charter school facility leases and lease-purchase agreements. The PSFA also collected public input via email. The PSFA held the third public meeting in April 2014 with representatives of three charter schools, the LFC and one attorney.

He noted that, at present, the latest versions of the proposed documents are posted on the PSFA web site and are still open for public comment. The templates include the following:

- modified gross public facilities lease draft (revised on March 4, 2014);
- modified gross private facilities lease draft (revised on March 4, 2014);
- charter school lease-purchase agreement draft (revised on March 4, 2014);
- standard sublease provisions amendment draft; and
- standard repairs and maintenance agreement draft (revised on November 26, 2013).

Mr. Larroque noted that comments from the PED on the standard lease-purchase agreement are still pending.

Mr. Hunt opined that the private facilities lease draft is not ready and could be used on a voluntary basis. In response to a task force question, Mr. Hunt indicated his impression that requiring the use of these templates for lease agreements would elicit some "push back" from some of those involved. He explained that the templates are flexible enough to be easily modified. He explained that the lease agreements are in three main parts: (1) lease provisions, which would include all of the variables in the lease agreement between the landlord and the lessee; (2) definitions, which would be consistent; and (3) standardized "boiler plate" language, which could not be changed. He noted that any differences should be included in the first, or "lease provisions", part.

Martica Casias, planning and design manager, PSFA, went over the table showing the 2014-2015 lease assistance awards, noting that while the program itself is optional, charter schools in particular have come to rely on these lease reimbursements. She noted that the PSCOC has established a maximum reimbursement of \$739.95 per full-time student or the actual cost of the lease, whichever is the lesser amount, and that the projected amount for fiscal year 2015 is a total of \$14.3 million. In response to a task force question, Ms. Casias reiterated that the lease assistance program is based on reimbursements on a quarterly basis; therefore, the PSFA will not have final numbers until after October. Task force members noted and expressed serious concerns over a number of inconsistencies, "outliers" and anomalies in the data on the table. For example, one task force member pointed out the vast difference in square feet per student: from a low of two square feet per student to a high of 348 square feet per student and a low cost of \$0.03 per square foot to a high of \$114.49 per square foot. After some discussion about "market value" of properties for lease, Mr. Hunt noted that leasing academic spaces does not necessarily mean the same thing that it does in terms of commercial leases. Members agreed that the issue may need to be addressed with legislation.

Task force members also had a discussion on issues related to the PSCOC's requiring the use of standardized lease forms in order to qualify for lease-purchase reimbursement under provisions of the Public School Capital Outlay Act. Again, members indicated that perhaps a legislative requirement will be necessary.

Implementation of the Court's Order in the *Zuni* Lawsuit: Progress and Concerns

Frank Chiapetti, superintendent, GMCSD, introduced the following representatives of the district: Bob Rosebrough, GMCSD contract attorney; Mike Hyatt, assistant superintendent for business services; Pauletta White, assistant superintendent for student services; Juana Hanks, chief financial officer; Johnty Cresto, director of construction; Ron Triplehorn, director of maintenance; and Jay and Matejka Sandillanes, GMCSD contract lobbyists.

Superintendent Chiapetti began the presentation by thanking the task force for providing an opportunity for the district to present its concerns. He praised the dramatic improvements in

the district's facilities since implementation of the standards-based process. He noted that before the status hearing on March 17, 2014, the court had no involvement in the process and that the progress in the face of a lack of judicial oversight speaks to the success of the program. He then turned the presentation over to Mr. Rosebrough to discuss the issues further.

Mr. Rosebrough told the task force that the district had requested a status conference with the new judge overseeing the *Zuni* lawsuit. The original judge, Judge Joseph Rich, who retired and then passed away, has been replaced by Judge Louis E. DePauli, Jr., who, noting no action in the case since the 2006 status conference, closed the case in 2013. That status conference was held on March 17, 2014 in Judge DePauli's court. After the status conference, Judge DePauli set a date in November for a five-day evidentiary hearing.

Mr. Rosebrough stated that at this time, both he and Dan Hill, PED general counsel, have agreed to postpone the November hearing and to work toward a political solution to the GMCSD's concerns in the 2015 legislative session. Noting that, in the past 11 years, the statewide FCI average has been reduced almost exactly by half, Mr. Rosebrough stated that the current standards-based process addresses the needs of the 80 percent of school districts whose scores fall in the middle of the bell curve and accurately ranks schools that need replacement. He added that the PSFA's Facility Information Management System allows data-driven decisions and emphasizes good maintenance of schools on a statewide basis.

Mr. Rosebrough said that the districts that are outliers on the low side of the bell curve have a particular problem that lies in the fact that the Public School Capital Outlay Act funding formula requires almost all districts, except ZPSD, to make a required contribution to receive a PSCOC grant award. He emphasized that Article 12, Section 1 of the Constitution of New Mexico requires the establishment and maintenance of "a **uniform** system of free public schools **sufficient** for the education of, and open to, all children of school age in the state...", giving emphasis to the words "uniform" and "sufficient". He noted that with the adoption of adequacy standards, the state's capital outlay funding system flies in the face of both uniformity and sufficiency. He expressed the concern that with only 20 percent of the property in McKinley County eligible to be taxed, 20 percent of the district's patrons are assuming 100 percent of the responsibility for the 19 percent local match required to receive a PSCOC grant award. Capping state aid at the "adequacy" level does not include certain necessary costs that are, in many cases, peculiar to the GMCSD. For example, he pointed out that the GMCSD has had to assume responsibility for the extension of utilities to school sites located in isolated, rural areas. He also noted that adequacy standards do not cover the cost of building clean, safe teacherages, which are necessary in isolated, rural areas.

Continuing, he also pointed out several other issues peculiar to the GMCSD and perhaps the ZPSD and the GCCSD:

- the GMCSD must pay a business activities tax to the Navajo Nation;
- adequacy standards include some furniture but not all fixtures and equipment;

- adequacy standards include a physical education multipurpose practice field but not competition fields, baseball fields, softball fields, tennis courts, bleachers, lights, restrooms and concession stands. He pointed out that even districts with average per pupil property tax valuations are able to provide these facilities without overburdening their district property tax patrons;
- adequacy standards provide only minimal landscaping;
- adequacy standards do not include water lines to fire hydrants; and
- adequacy standards do not pay for square footage per student in excess of 135 square feet per student. Originally, the square footage was a maximum of 150 square feet per student, but that number has since been lowered to 135.

Mr. Rosebrough went on to discuss the gap between the state's adequacy standards and the state's adopted educational standards, including the following:

- facilities for Navajo language and culture classes required by the Indian Education Act;
- athletic facilities for compliance with federal Title 9 requirements for equity between boys' and girls' facilities;
- facilities for pre-kindergarten classes, demonstrated as necessary in areas with high poverty and large numbers of English language learners;
- parent education rooms;
- classrooms for response-to-intervention programs, also necessary for districts with large numbers of at-risk students;
- computers and computer stations for mandated computer-based testing; and
- pull-out spaces for delivery of ancillary services such as speech and language therapy, physical therapy and occupational therapy.

Mr. Rosebrough indicated that the GMCSD currently needs replacements for six elementary schools: Juan de Oñate, Thoreau, Washington, Church Rock Academy, Jefferson and Ramah. He also noted that the district is not able to keep up with extensive repair and maintenance. With only 20 percent of property taxable in the district, proceeds from the Public School Capital Improvements Act does not equalize property tax wealth disparity. Comparing the GMCSD with the Artesia Public Schools, located in the oil-rich Permian Basin, he explained that the state guarantee provided by the Public School Capital Improvements Act does not begin to make up the difference between property tax values per student in both districts.

Superintendent Chiapetti brought up the impact aid issue and noted that the GMCSD is no longer able to receive 100 percent of the impact aid dollars that the district qualifies for, which go primarily for operational expenditures. He indicated that he just heard from the federal government that because of sequestration and other government cutbacks established to balance the budget, the GMCSD is scheduled to receive only 50 percent of the federal Impact Aid dollars for which it qualifies for fiscal year 2011. He noted that the GMCSD has been bonded to capacity for the past 25 years. He noted that the PSCOC does have a waiver of the state match

available in statute for those districts with low property tax valuations and high-poverty demographics, but the GMCSD has yet to be granted one of these waivers. He compared the GMCSD with the Lordsburg Municipal School District, which was granted a waiver the first time it requested one. He wondered if the formula in statute that determines the local and state shares is adequate or appropriate.

Mr. Abbey indicated that some of these issues can be resolved through the PSCOC's rulemaking authority and will not need to be addressed legislatively. Mr. Rosebrough commented that the district is hoping to resolve these issues through the existing process with the PSCOC.

Task force members indicated the need to stay close to the issue. Mr. Abbey noted that the next PSCOC meeting is on September 4, 2014 at 9:00 a.m. in Room 317 of the State Capitol. As chair of the council, he invited GMCSD representatives to attend the meeting and present their concerns. Representative Stewart opined that having legislation pass that would allow for building systems repair, upgrade and replacement would be helpful to the GMCSD. Task force members also mentioned several other issues the task force may wish to take up, including issues concerning Native American students who live in urban school districts, establishment of universal pre-kindergarten programs, the capital outlay funding formula and school districts' role in granting industrial revenue bonds.

Representative Stewart suggested that since the next task force meeting is September 3 in the State Capitol, members may wish to plan attend the PSCOC meeting on September 4. She also suggested that the task force may wish to take up the issue of off-the-top, categorical appropriations from supplemental severance tax bonds for colonias, water and tribal infrastructure, as well as allowed Public School Capital Outlay Act expenditure categories such as the SB 9 match, education technology set-aside and the five percent allowed for PSFA operations as they relate to the condition of the Severance Tax Permanent Fund corpus.

Adjournment

There being no further business to come before the task force, the forty-seventh meeting of the PSCOOTF for the 2014 interim adjourned at 3:49 p.m.